

**ANNUAL REPORT**  
**of**  
**Hudson River Day Line**

**For the Fiscal Year ended**

**October 31, 1948**

**General Office**  
**303 West 42nd Street**  
**New York 18, N. Y.**

## Hudson River Day Line

To Security Holders of

HUDSON RIVER DAY LINE:

The Balance Sheet as of October 31, 1948, and Income Account and Surplus Account for the year ended on that date, as audited by Messrs. Peat, Marwick, Mitchell & Co., are submitted herewith.

The net loss of the Company for the year ended October 31, 1948, before income tax credits of \$36,318.97, was \$207,520.59.

Under date of November 8, 1948, we advised all security holders of the Company that your directors had voted, in view of the unsatisfactory operating results of the last few years and the absence of any reasonable prospect of satisfactory improvement, to discontinue further operations and to proceed with the liquidation of the Company and the sale of its assets.

Enclosed herewith is a letter to the preferred and common stockholders of the Company, summarizing the terms and conditions of an offer which has been received for the purchase of our four vessels and oil barge, our Newburgh and Poughkeepsie terminal properties and various miscellaneous assets. Your directors have given careful consideration to the advisability of the proposed sale and are unanimously of the opinion that it is in the best interests of the bondholders and stockholders of the Company and urge all stockholders to vote in favor thereof at the special meeting of stockholders called to be held on March 2, 1949.

By order of the Board of Directors.

ALFRED V. S. OLCOTT,  
*President.*

February 1, 1949.

# *Hudson River Day Line,*

(FOUNDED BY ALFRED VAN SANTVOORD.)

~~*Hudson River Day Line*~~

WEST 42ND STREET PIER

*New York,*

E. E. OLCOTT,

*President.*

A. V. S. OLCOTT,

*General Manager & Treasurer.*

EDGAR S. BARNEY,

*General Passenger Agent & Secretary.*

E. V. MILLER,

*Auditor Passenger Accounts.*

## STEAMERS

"HENDRICK HUDSON"

"ALEXANDER HAMILTON"

"ROBERT FULTON"

"DEWITT CLINTON"

"PETER STUYVESANT"

"ALBANY"

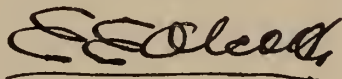
"CHAUNCEY M. DEPEW"

With our compliments, we take pleasure in sending you an Annual Pass on the Hudson River Day Line for the Season of 1929, and we trust that you may find an opportunity to use it.

Our steamers between New York and Albany will be in operation from May 18 until October 16, 1929.

Our New York Terminal is now on West 42nd Street Pier.

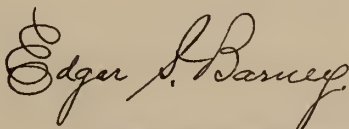
Very truly yours,



President



Vice-Pres't and General Manager



Secretary and General Passenger Agent

John G. Thompson, Secretary of the  
Board of Trustees, University of  
California, Berkeley, California, U.S.A.  
1900

Received of the Treasurer of the  
University of California, Berkeley, California, U.S.A.  
the sum of \$100.00

for the purchase of books

George

W. H. Hall

John G. Thompson

Secretary of the Board of Trustees

# Peat, Marwick, Mitchell & Co.

## ACCOUNTANTS' REPORT

TO THE BOARD OF DIRECTORS,  
*Hudson River Day Line,*  
*New York, N. Y.*

We have examined the balance sheet of Hudson River Day Line as of October 31, 1948 and the related statements of income and surplus for the fiscal year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

On November 8, 1948 the security holders of Hudson River Day Line were notified that the directors had unanimously voted to discontinue further operations and to proceed with the liquidation of the company and the sale of its assets. The principal asset of the company, viz., transportation property and equipment, is stated in the balance sheet at depreciated cost which is not represented to be the realizable value of the property. No provision has been made in the accounts for possible loss on realization of such asset nor for expenses in connection with the liquidation of the company.

In our opinion, subject to the foregoing comment, the accompanying balance sheet and statements of income and surplus present fairly the financial position of the Hudson River Day Line as of October 31, 1948 and the results of its operations for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

PEAT, MARWICK, MITCHELL & CO.

*New York, N. Y.,*  
*January 17, 1949.*

# Hudson River Day Line

*Balance Sheet as of October 31, 1948.*

## ASSETS

### CURRENT ASSETS:

Cash in banks and on hand.....	\$ 55,395.56
Accounts receivable:	
Traffic balances due from other companies.....	\$ 29,526.93
Insurance claims.....	7,108.16
Insurance premium rebates.....	3,330.20
Miscellaneous .....	7,016.71
	<u>46,982.00</u>
Materials and supplies—at estimated realizable value.....	7,543.06
	<u>109,920.62</u>
TOTAL CURRENT ASSETS.....	109,920.62
Claims for Refund of Federal Income Taxes.....	48,666.16
Cash in Sinking Fund for Second (now First) Mortgage Bonds.....	4.50
Investment—at cost.....	50.00

### TRANSPORTATION PROPERTY AND EQUIPMENT—AT COST (Note 1):

Floating equipment.....	2,915,295.34	
Terminal property and equipment.....	676,990.17	
	<u>3,592,285.51</u>	
Less Reserve for depreciation.....	2,514,759.26	
	<u>1,077,526.25</u>	
Land and land rights.....	356,189.71	
Improvements on leased property.....	\$22,252.67	
Less Reserve for amortization.....	22,252.67	
	<u>1,433,715.96</u>	
Noncarrier Physical Property (real estate).....		50,176.07
DEFERRED CHARGES AND PREPAID EXPENSES:		
Prepaid insurance, rents and taxes.....	33,983.20	
Spare equipment parts.....	5,007.36	
Insurance claims pending.....	2,973.47	
	<u>41,964.03</u>	
		<u>\$1,684,497.34</u>

### NOTES:

- (1) On November 8, 1948 the security holders of Hudson River Day Line were notified that the directors had unanimously voted to discontinue further operations and to proceed with the liquidation of the company and the sale of its assets. The principal asset of the company, viz., transportation property and equipment, is stated in the foregoing balance sheet at depreciated cost which is not represented to be the realizable value of the property. No provision has been made in the accounts for possible loss on realization of such asset nor for expenses in connection with the liquidation of the company.
- (2) The company is required to make on or before February 1 in each year a payment into the "normal sinking fund" equal to 10% of the maximum principal amount of bonds at any time issued, if and to the extent the "available earnings" of the company (as defined in section 3 of article II of the mortgage indenture) for the twelve months ended on the next preceding October 31 shall have been sufficient to meet such payments. The requirements of the "normal sinking fund" are cumulative; there are no available earnings for the twelve months ended October 31, 1948; and as of February 1, 1949 the accumulated arrears will amount to \$155,615 at which time, unless on or before that date a payment of at least \$32,921 shall have been made into the sinking fund, the bonds will be in default and may be declared due and payable.

# Hudson River Day Line

*Balance Sheet as of October 31, 1948.*

## LIABILITIES

### CURRENT LIABILITIES:

Accounts payable.....	\$ 40,697.43
Accrued taxes and rents.....	21,285.54
Accrued interest on Second (now First) Mortgage Bonds (currently payable) .....	3,391.50
TOTAL CURRENT LIABILITIES.....	65,374.47

### Second (now First) Mortgage 6% Twenty-Year Income Bonds due August 1, 1956 (Note 2):

Issued .....	\$ 613,475.00	
Redeemed through sinking fund.....	387,375.00	
	226,100.00	
Accrued interest thereon not currently payable.....	106,267.00	332,367.00

### CAPITAL STOCK:

#### Authorized:

Preferred—4,392 shares without par value (\$6.00 per share cumulative from November 1, 1944; having preference in involuntary liquidation to \$100.00 per share and unpaid dividends and subject to redemption at \$125.00 per share and unpaid dividends).

Common—4,383 shares without par value.

#### Issued:

Preferred, 4,383 shares—stated value (Note 3).....	438,300.00	
Common, 2,882 shares—stated value.....	15,300.00	453,600.00

Capital Surplus arising from reorganization.....	331,703.20
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Earned Surplus (after applying reduction in accumulated reserve for depreciation of \$500,000.00 in 1945 and \$1,000,000.00 in 1946, approved by the Interstate Commerce Commission) (Notes 1 to 5).....	501,452.67
	\$1,684,497.34

- (3) Cumulative dividends on the preferred stock are in arrears in the sum of \$105,192.
- (4) On October 29, 1948 the company advised the City of New York that it was vacating the 129th Street pier as of October 31, 1948 and the 42nd Street pier on or before November 10, 1948. The company has been notified that the City of New York asserts claim against it for rent to June 30, 1949 and also for extensive repairs and maintenance of the premises. Counsel for the company has expressed the opinion that the company has no liability in connection with these matters.
- (5) Other contingent liabilities—various suits mainly in respect of personal injuries and property damages which are largely covered by insurance.



# Hudson River Day Line

## *Statement of Income*

*For the Year ended October 31, 1948.*

WATER LINE OPERATING REVENUES.....		\$1,508,707.13
WATER LINE OPERATING EXPENSES (exclusive of depreciation) :		
Maintenance :		
Vessels and barge.....	\$307,755.17	
Terminals .....	18,125.81	
Traffic expenses.....	81,422.35	
Transportation expenses :		
Operation of vessels.....	944,739.07	
Operation of terminals.....	50,403.47	
Rents (including charter hire).....	58,036.94	
Incidental transportation expense.....	1,993.35	
General expenses .....	158,430.46	1,620,906.62
Loss from Water Line Operations before Depreciation.....		112,199.49
NET LOSS FROM AUXILIARY OPERATIONS BEFORE DEPRECIATION.....		5,841.81
		118,041.30
MISCELLANEOUS CHARGES.....		3,188.53
		121,229.83
INTEREST ON SECOND (NOW FIRST) MORTGAGE BONDS.....		13,566.00
		134,795.83
DEPRECIATION AND AMORTIZATION OF REAL PROPERTY AND EQUIPMENT.....		72,724.76
		207,520.59
FEDERAL INCOME TAX CREDITS :		
Carry-back claim for income tax assessed for year 1947.....	31,284.34	
Adjustment of prior year taxes (net).....	5,034.63	
		36,318.97
NET LOSS .....		\$ 171,201.62



# Hudson River Day Line

## *Statement of Surplus* *For the Year ended October 31, 1948.*

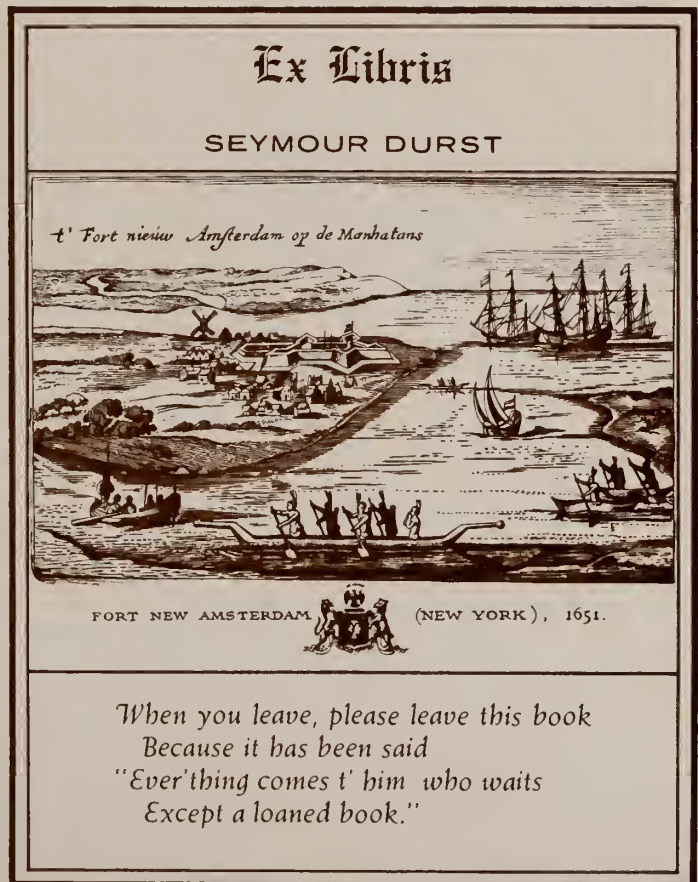
### *Earned Surplus*

Earned Surplus as of October 31, 1947.....	\$ 672,654.29
Deduct Net Loss for the year ended October 31, 1948.....	171,201.62
Earned Surplus as of October 31, 1948.....	<u>\$ 501,452.67</u>

### *Capital Surplus Arising from Reorganization*

Capital Surplus as of October 31, 1947 and 1948.....	<u>\$ 331,703.20</u>
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See notes to balance sheet.



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## DIRECTORS

WM. G. EDINBURG  
*New York*

CHARLES T. OLCOTT  
*Vice President*

ALFRED V. S. OLCOTT  
*President*

FREDERICK E. HASLER  
*New York*

DONALD HAVENS  
*New York*

## OFFICERS

A. V. S. OLCOTT	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	President
CHARLES T. OLCOTT	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	Vice President
R. F. WALKER	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	Treasurer
F. H. RAINEY	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	Secretary

## TRANSFER AGENT

CONTINENTAL BANK AND TRUST CO. OF NEW YORK  
New York